



Top Shelf International Holdings Ltd

Principal Place of Business:
16-18 National Boulevard
Campbellfield
Victoria
Australia 3061

22 May 2024

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TOP SHELF TO RAISE UP TO \$13.9 MILLION VIA ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

Top Shelf International Holdings Limited (**Top Shelf** or the **Company**) is pleased to announce that it is conducting a 2 for 3 non-renounceable entitlement offer (**Entitlement Offer**) to raise up to \$13.9 million at a price of \$0.10 per share (**Offer Price**) together with 1 free attaching option for every 2 shares applied for and issued.

The Offer Price represents a:

- 43% discount to last traded price of shares of \$0.175 on Tuesday, 21 May 2024;
- 31% discount to the theoretical ex-rights price (**TERP**)¹ of \$0.145 per share; and
- 38% discount to the 5-day volume weighted average price of shares.

The Entitlement Offer comprises:

- an accelerated institutional component open to eligible institutional shareholders to be conducted from Wednesday, 22 May 2024 to Thursday, 23 May 2024 (**Institutional Entitlement Offer**); and
- a retail component open to eligible retail shareholders in Australia or New Zealand anticipated to be conducted from Wednesday, 29 May 2024 to Monday, 17 June 2024 (unless extended) (**Retail Entitlement Offer**).

The Entitlement Offer is not underwritten.

The minimum subscription in respect of the Entitlement Offer is \$10 million (**Minimum Subscription**).

The proceeds from the Entitlement Offer will be used to repay a portion of the Company's senior secured loan facility with Longreach Credit Investors, provide sufficient working capital to fund the Company to profitability and pay transaction costs.

Salter Brothers Capital Pty Ltd and PAC Partners Securities Pty Ltd (**Joint Lead Managers**) are acting as Joint Lead Managers to the Entitlement Offer.

Further details of the Entitlement Offer are detailed in the investor presentation released on the ASX platform today (**Investor Presentation**).

¹ TERP is the theoretical ex-rights price at which New Shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which New Shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal TERP.

Commenting on the Entitlement Offer, TSI's Chairman, Julian Davidson, said:

"The equity raising will provide TSI with greater financial flexibility to reach profitability. In particular, the additional funds will allow us to ensure the Company is funded through key milestones over the next 15 months."

Entitlement Offer Structure

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 2 new shares for every 3 existing TSI shares held (**Entitlement**).

The Entitlement Offer is non-renounceable, and Entitlements will not be tradable or otherwise transferable.

Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those Entitlements not taken up. New shares issued under the Entitlement Offer will be fully paid and will rank equally with existing TSI shares at the time of issue.

Institutional Entitlement Offer

Institutional shareholders with a registered address in Australia, New Zealand, Hong Kong or Singapore (**Eligible Institutional Shareholders**) will be invited to participate in the Institutional Entitlement Offer.

Eligible Institutional Shareholders can choose to take up all, or part or none of their Entitlement under the Institutional Entitlement Offer.

New shares not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer will be allotted to certain other institutional investors under a bookbuild process to be managed by the Joint Lead Managers.

Retail Entitlement Offer

Retail shareholders with a registered address in Australia or New Zealand as at 7.00pm (AEST) on Friday, 24 May 2024 (**Record Date**) (**Eligible Retail Shareholders**) will be invited to participate in the Retail Entitlement Offer.

Eligible Retail Shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

The Retail Entitlement Offer will be made under a retail offer booklet (**Retail Entitlement Offer Booklet**). The Retail Entitlement Offer Booklet will be dispatched to Eligible Retail Shareholders, along with accompanying personalised entitlement and acceptance forms, on Wednesday, 29 May 2024.

Attaching options

For every 2 new shares subscribed, eligible shareholders will receive 1 free attaching options. The options will have an exercise price of \$0.12 and a term of 3 years.

The Company will apply for the quotation of the new options on the ASX, subject to meeting ASX's minimum listing requirements.

Top-Up Facility Available

Eligible Retail Shareholders who take up their Entitlements in full may also apply for additional new shares in excess of their Entitlements at the Offer Price up to a maximum amount of 100% of their Entitlement (subject to compliance with applicable laws and to the terms of the Retail Entitlement Offer) (**Retail Top Up Facility**).

The availability of additional new shares under the Retail Top Up Facility will be limited to the Entitlements attributable to Eligible Retail Shareholders who do not take up their Entitlements. In the event it is necessary to scale back applications for additional new shares (where there are more applications for additional new shares than there is shortfall under the Retail Entitlement Offer) then the scale back will be on a pro rata basis, based on the retail Entitlements.

Indicative Timetable

Further details of the Entitlement Offer timetable are outlined below:

Event	Date
Trading halt and announcement of the Entitlement Offer	Wednesday, 22 May 2024
Institutional Entitlement Offer opens	Wednesday, 22 May 2024
Institutional Entitlement Offer closes	Thursday, 23 May 2024
Announcement of results of the Institutional Entitlement Offer Trading Halt lifted and TSI shares recommence trading on ASX on an "ex-Entitlement basis"	Friday, 24 May 2024
Record Date for determining Eligible Retail Shareholders	Friday, 24 May 2024
Retail Entitlement Offer Booklet dispatched Retail Entitlement Offer opens	Wednesday, 29 May 2024
Settlement of shares under the Institutional Entitlement Offer	Wednesday, 29 May 2024
Issue and commencement of trading of shares issued under the Institutional Entitlement Offer	Thursday, 30 May 2024
Retail Entitlement Offer closes	Monday, 17 June 2024
Announcement of results of Retail Entitlement Offer	Thursday, 20 June 2024
Issue of shares under the Retail Entitlement Offer	Monday, 24 June 2024
Commencement of trading of shares issued under the Retail Entitlement Offer	Tuesday, 25 June 2024

Note: This timetable is indicative only and may be subject to change without notice to, or consultation with, you. The Company reserves the right to amend any or all of these dates and times subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules (**Listing Rules**) and other applicable laws. In particular, the Company reserves the right to extend the closing date for the Institutional Entitlement Offer or the Retail Entitlement Offer, to accept late applications under the Institutional Entitlement Offer or the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Institutional Offer or the Retail Entitlement Offer without prior notice. Any extension of the closing date for the Institutional Offer or the Retail Entitlement Offer will have a consequential effect on the allotment date of shares. The Company also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the relevant shares. In that event, the relevant application monies (without interest) must be returned in full to applicants.

Additional details

Additional information regarding the Entitlement Offer is in the Investor Presentation. The Investor Presentation contains important information that shareholders should consider, including information about the risk factors and foreign selling restrictions relating to the Entitlement Offer.

Release authorised by the Board of Top Shelf International Holdings Limited.

END

For more information (investors and media):

- visit our investor website <https://www.topshelfgroup.com.au/investors> or contact investor relations at info@topshelfgroup.com.au or on (03) 8317 9990; or
- contact Ryan Legudi on +61 3 9258 2100.

IMPORTANT INFORMATION

This announcement does not constitute financial product advice and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors are encouraged to seek independent financial advice before making any investment decision.

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About Top Shelf

Top Shelf International is a Melbourne based distiller and marketer of premium Australian spirits, with distinctive brands in NED Australian Whisky, Grainshaker Hand Made Australian Vodka and Act or Treason Australian Agave. The Company has a track record of success creating high quality, premium Australian products and brands; each in its own way encapsulating a distinctive Aussie attitude, social experience and flavour profile.

The Company has expertise in the development and production of distilled spirits, undertakes a significant level research and development and operates modern fermentation, distillation and packaging facilities in Campbellfield, Victoria.

The Company is creating Australia's first agave spirit range from its magnificent Agave farm and distillery operation in The Whitsundays region of Queensland. This location has been specifically chosen for its climatic suitability for growing *tequilana* blue agave. The farm is being developed using the most up-to-date and innovative agronomy and horticultural practices.

In addition to distilling and manufacturing its own portfolio of spirit brands, Top Shelf also provides canning, bottling and packaging services at its Campbellfield production site in Victoria.